

Testimony

of

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before the

House Committee on Government Reform
Subcommittee on National Security,
Emerging Threats, and International Relations

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Chairman Shays, Mr. Kucinich, members of the Subcommittee, thank you for the opportunity to speak with you about the current process for funding the Global War on Terror.

I have been in the Department of Defense for 32 years – 22 of those years with the Office of the Comptroller. My principal role is to build the budget, whether it is the base budget for the Department of Defense or a supplemental request. Drawing on this experience, I am happy to address the important questions raised in your letter of invitation.

To date, the Congress has appropriated approximately \$382 billion for DoD and the Intelligence Community for the Global War on Terror. As of April 2006, approximately \$323 billion of this amount has been spent or obligated.

The question of whether supplemental appropriations – as opposed to baseline budgeting – is the best vehicle for funding the ongoing cost of military operations in time of war is a fair one. In 2001, the Administration and Congressional leaders worked together to provide supplemental appropriations as the most appropriate mechanism to fund the Global War on Terror.

For our part, the Department can do it either way. However, because supplementals are prepared much closer to the time the funds will actually be used, they are a more accurate reflection of conditions on the ground, a more

accurate prediction of what the costs of war will actually be; and importantly, a process that allows quicker access to funds at the time when they are needed most.

And this is an important point. Because regardless of whether the war is funded through supplemental appropriations or baseline budgeting, we must not lose sight of the fact that our first priority must be to give the men and women who put their lives on the line every day to protect our freedom, what they need, when they need it.

The same is true of the bridge funding provided by Congress in recent years. Like the supplementals, they ensure that U.S. forces have the support they need, when they need it – without the Services having to resort to suboptimal actions to “cash flow” critical military operations.

As for the accuracy and reliability of information on the cost of war, the Department diligently, and meticulously, reports the cost of war to both the Congress and the GAO.

Congress has mandated nine distinct reports on the cost of the Global War on Terror. These include one biannual and seven quarterly reports to Congress, and a monthly report to the Government Accountability Office.

And, approximately 10 briefings on the cost of war are given to Congress every year.

Indeed, over 31,000 pages of budget justification and reports are provided to Congress every year; 475 different reports were provided in FY 2005 alone.

So, we take our role as steward of the taxpayer's money very seriously, and work to ensure that all cost-of-war information – both in the baseline budget and the supplemental – is as accurate and reliable as possible.

Indeed, this seriousness has been borne out, not only with respect to the cost of war, but by the substantial progress that Department has made in business transformation and financial management.

Two consecutive reports by the Government Accountability Office cited the Department's progress in business systems modernization efforts. The Office of Management and Budget recently raised the Department's progress rating from yellow to green, indicating that improvement efforts are proceeding according to plan.

With that, Mr. Chairman, I will conclude my formal remarks and look forward to your questions. Again, I thank the Committee for the opportunity to discuss these issues with you, and I am happy to respond to your concerns.

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